



North Dakota's Diversifying Economy

Governor Jack Dalrymple

North Dakota By the Numbers



- #1 Best-Run State** – *Wall Street 24/7 (4th consecutive year)*
- #1 Housing growth per capita** - *U.S. Census (3rd consecutive year)*
- #1 Growth Performer States Since 2000** - *U.S. Chamber*
- #1 Best States for Young Adults** – *Moneyrates.com*
- #1 Best States for Entrepreneurship** - *Univ. of Nebraska*
- #2 Oil Producing State** - *ND Mineral Resource Division*
- #3 In State Competitiveness** - *Beacon Hill Institute*
- #4 Best States for Business** - *Forbes Magazine*
- #6 Top States for Business** - *CNBC*
- #6 Pro-Business State** - *Pollina Corporate RE*
- 517% increase in exports since 2000** - *U.S. Dept. Commerce*

5 Essential Strategies



BUSINESS FRIENDLY ENVIRONMENT

RESEARCH & DEVELOPMENT



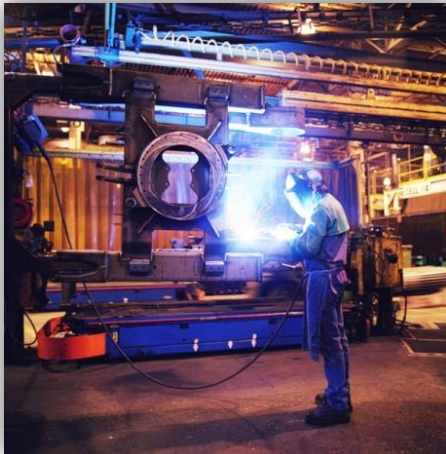
WORKFORCE TALENT

ENTREPRENEURSHIP



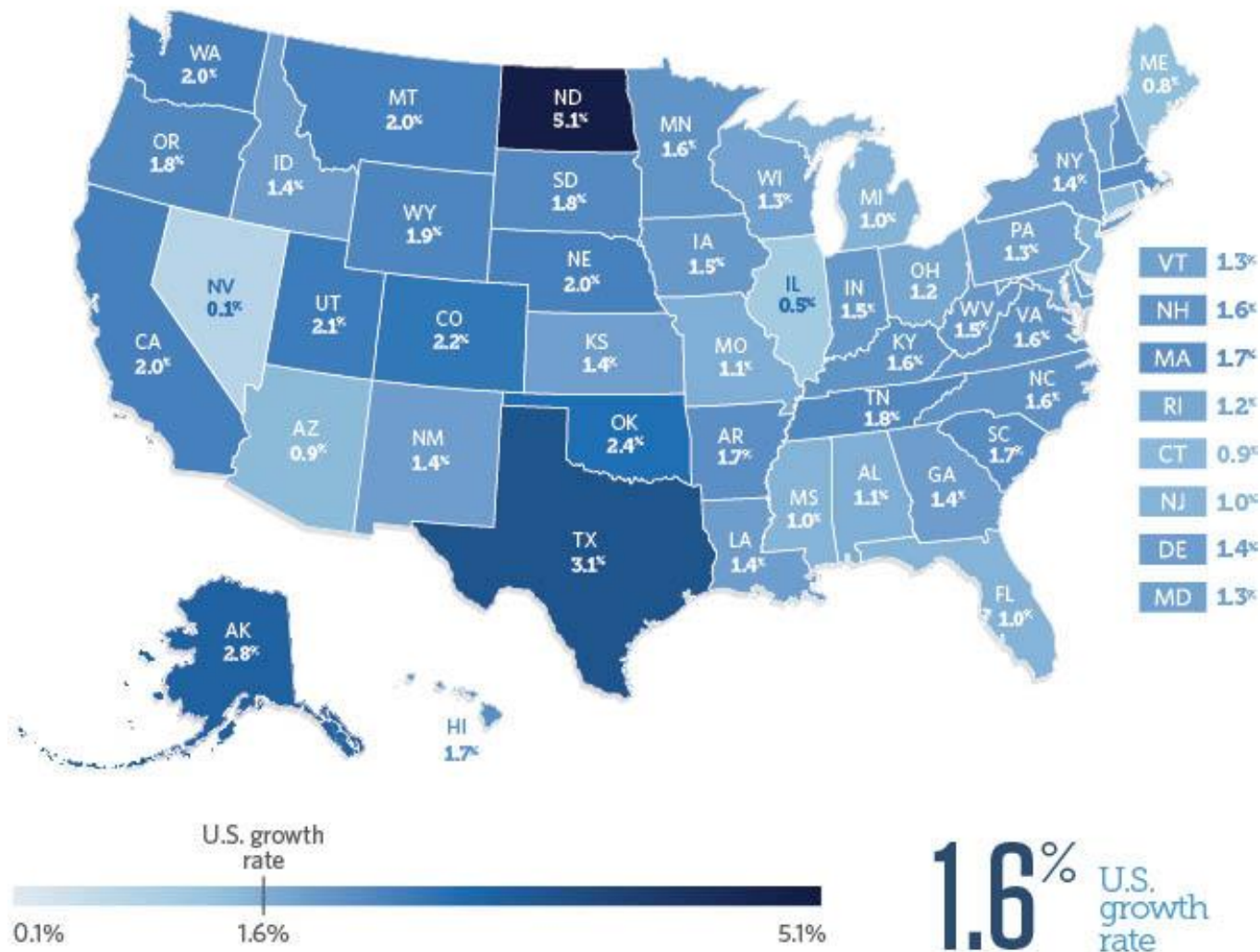
EXPORT TRADE

Target Industries



Personal Income Recovers Unevenly From Recession

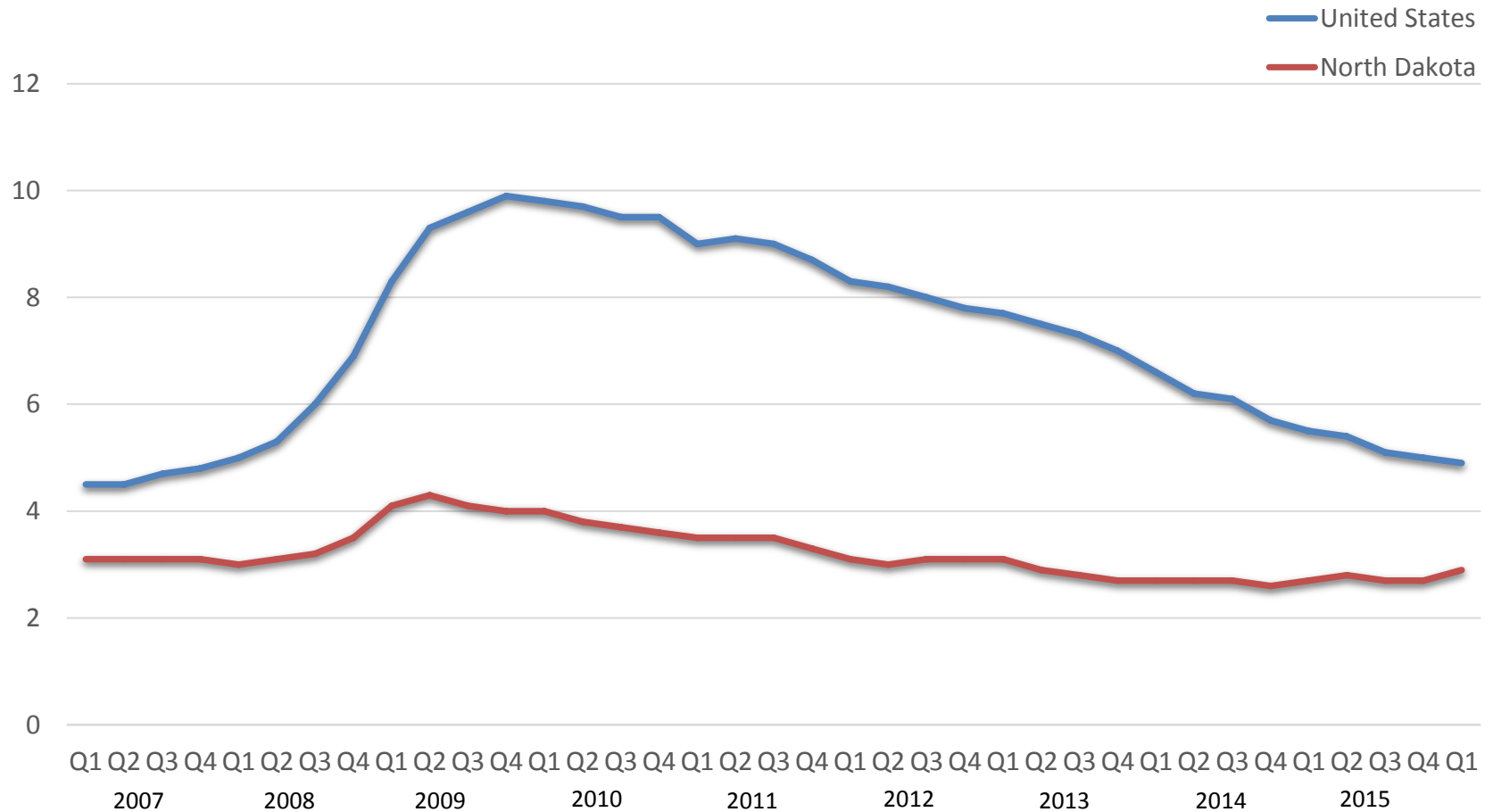
Annual growth rate for inflation-adjusted personal income, 4Q 2007 to 3Q 2015



Source: Pew's analysis based on data from the U.S. Bureau of Economic Analysis

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Unemployment Rates: North Dakota and United States

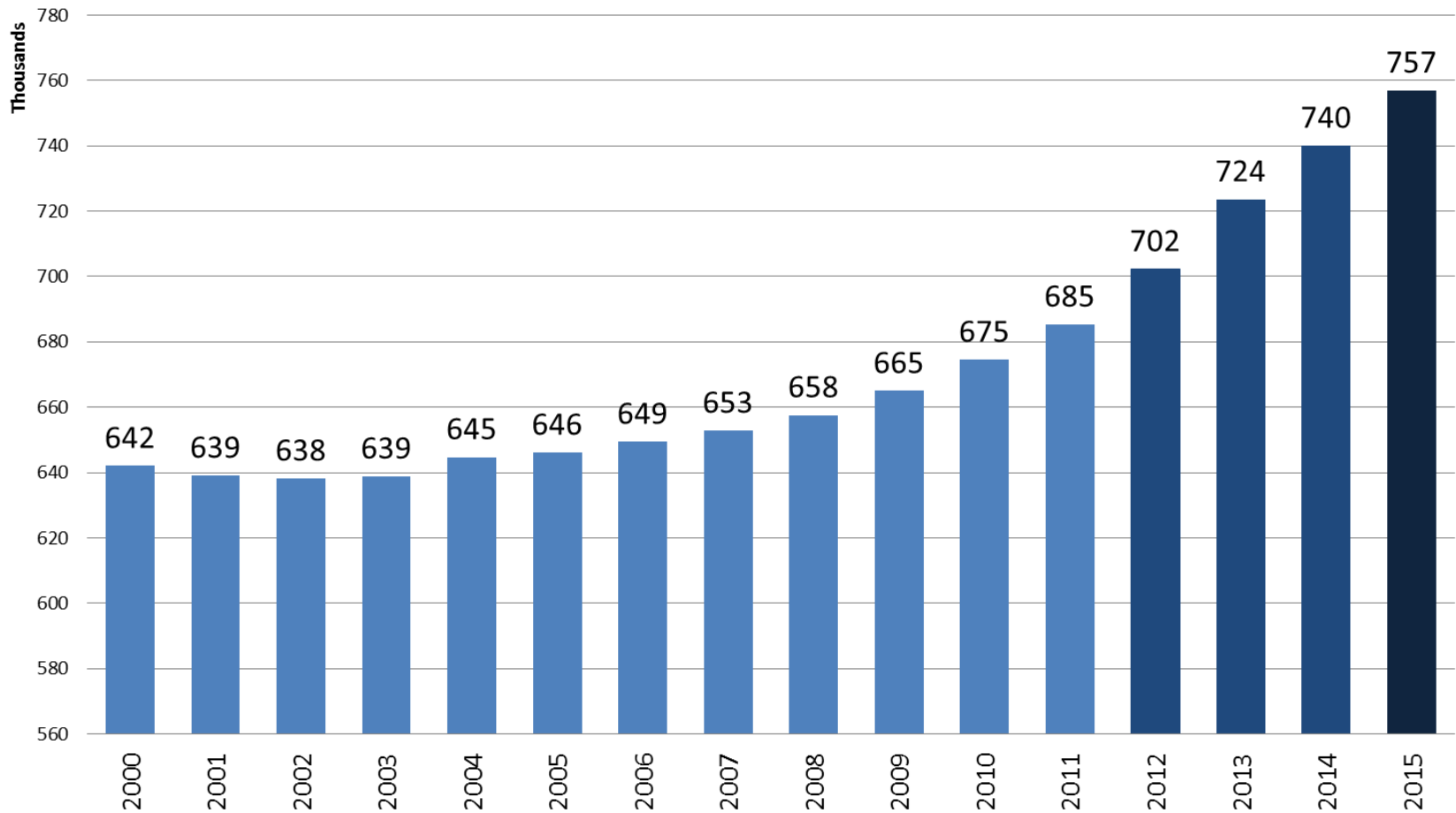


North Dakota

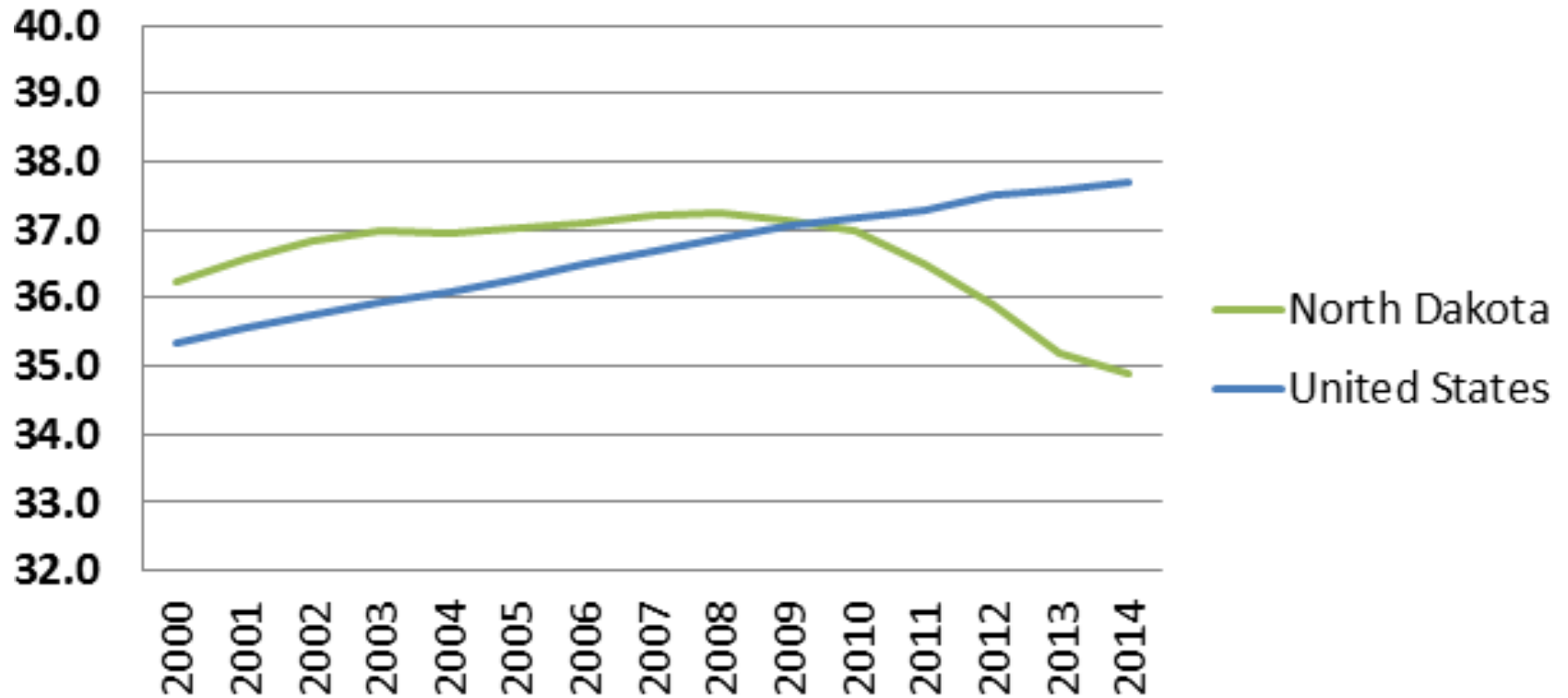
Estimate Annual Population

Since 2000

(In Thousands)



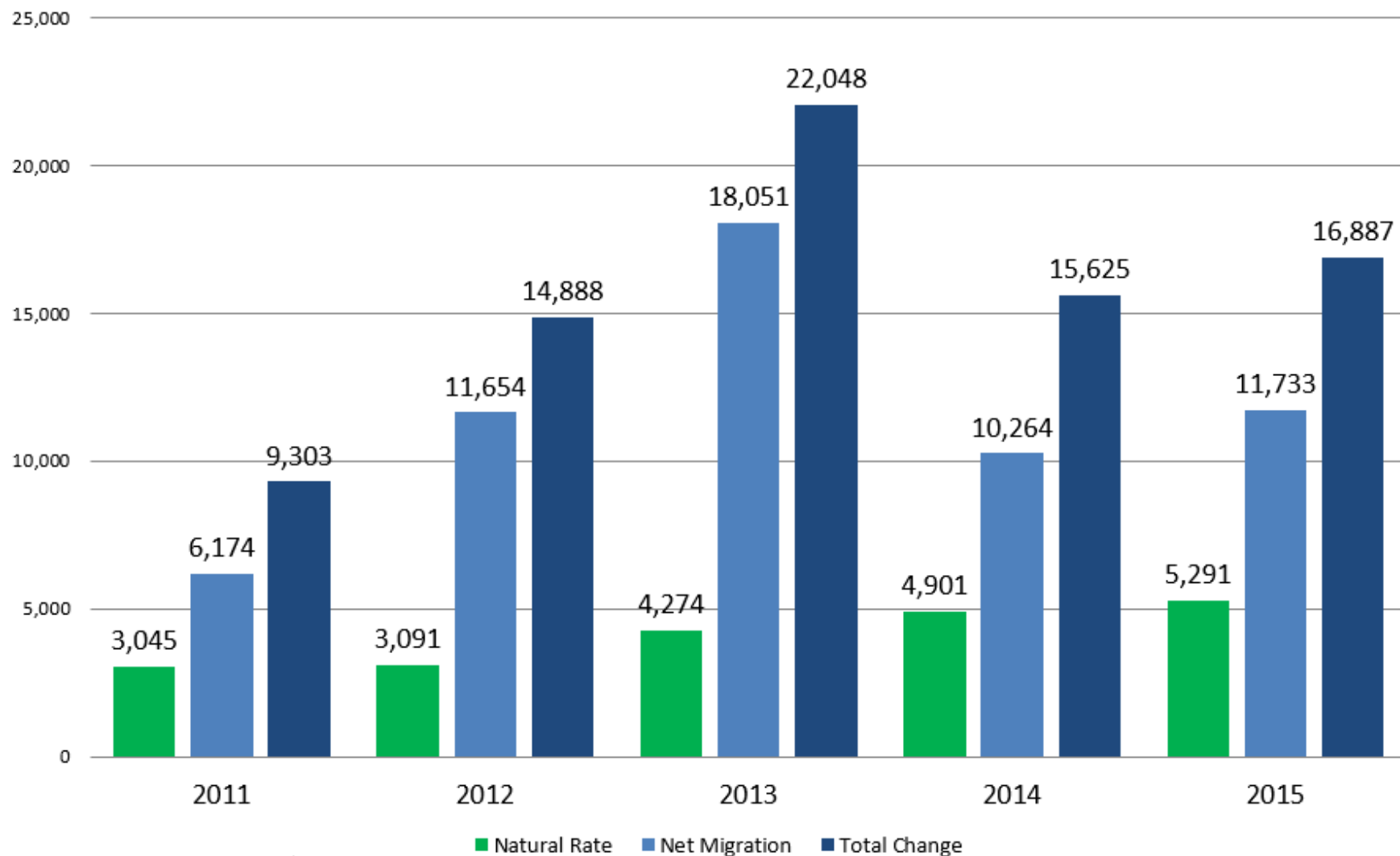
Median Age United States and North Dakota



North Dakota

Estimated Annual Components of Population Change

2011 - 2015



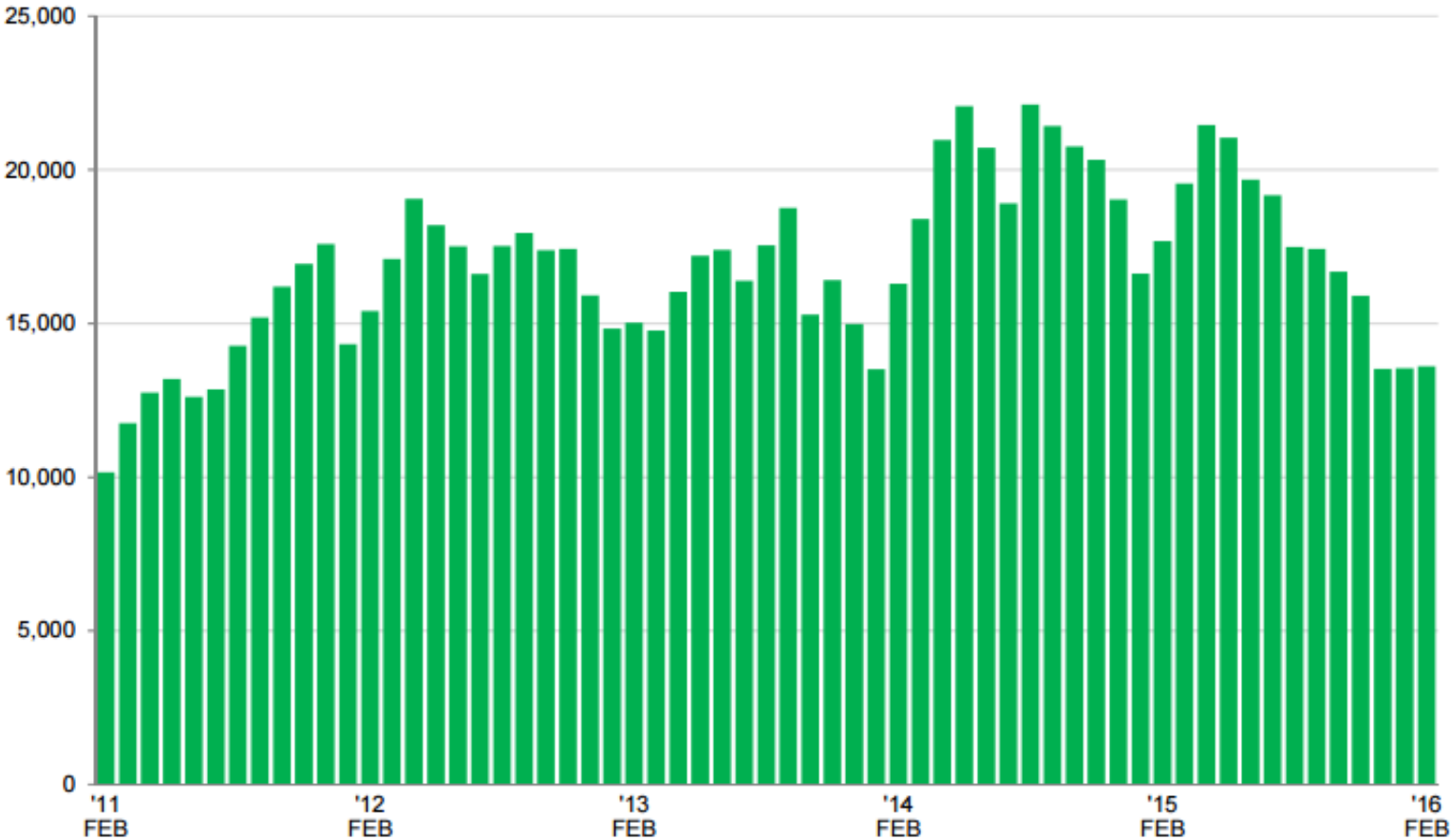
Current Job Openings

FEBRUARY 2016 ONLINE JOB OPENINGS REPORT

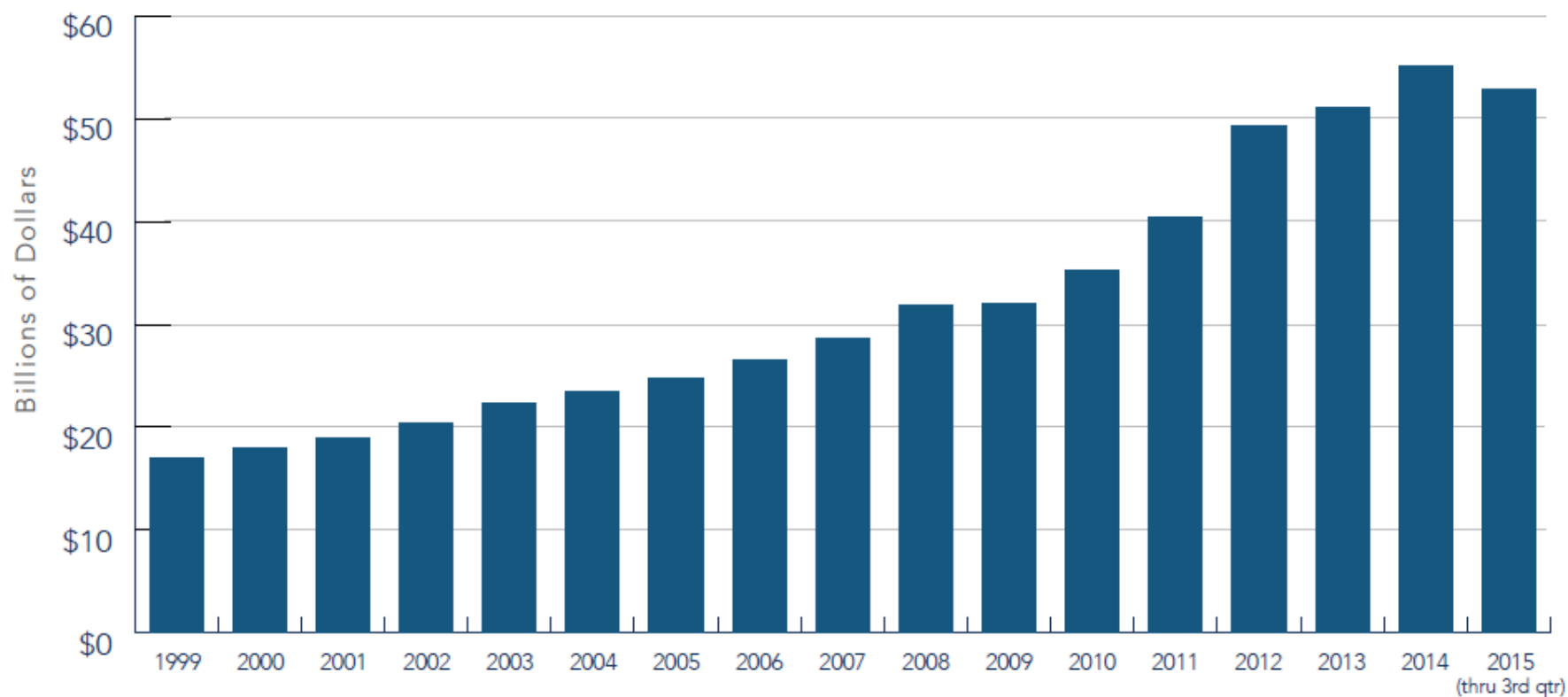
JOB OPENINGS DATA

JOB OPENINGS--TOTAL

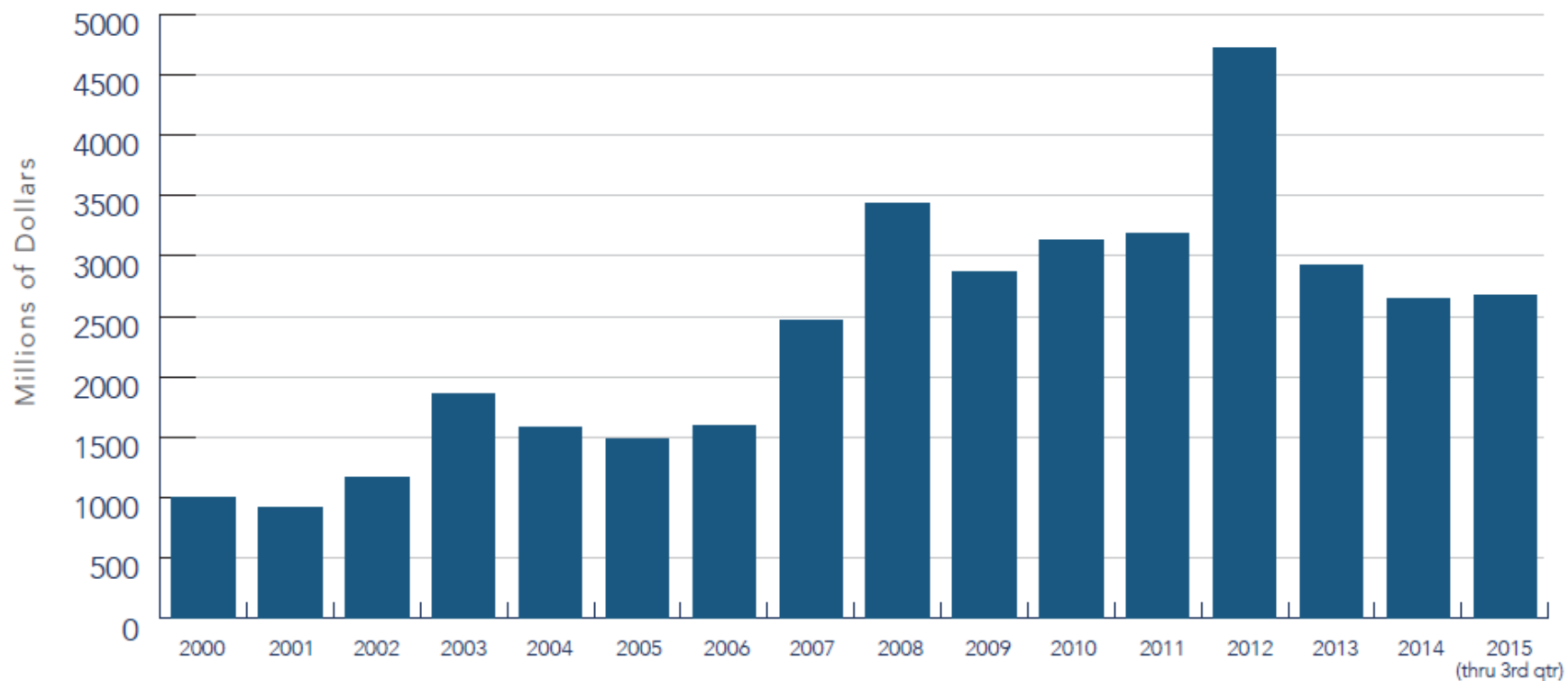
FIVE-YEAR TREND



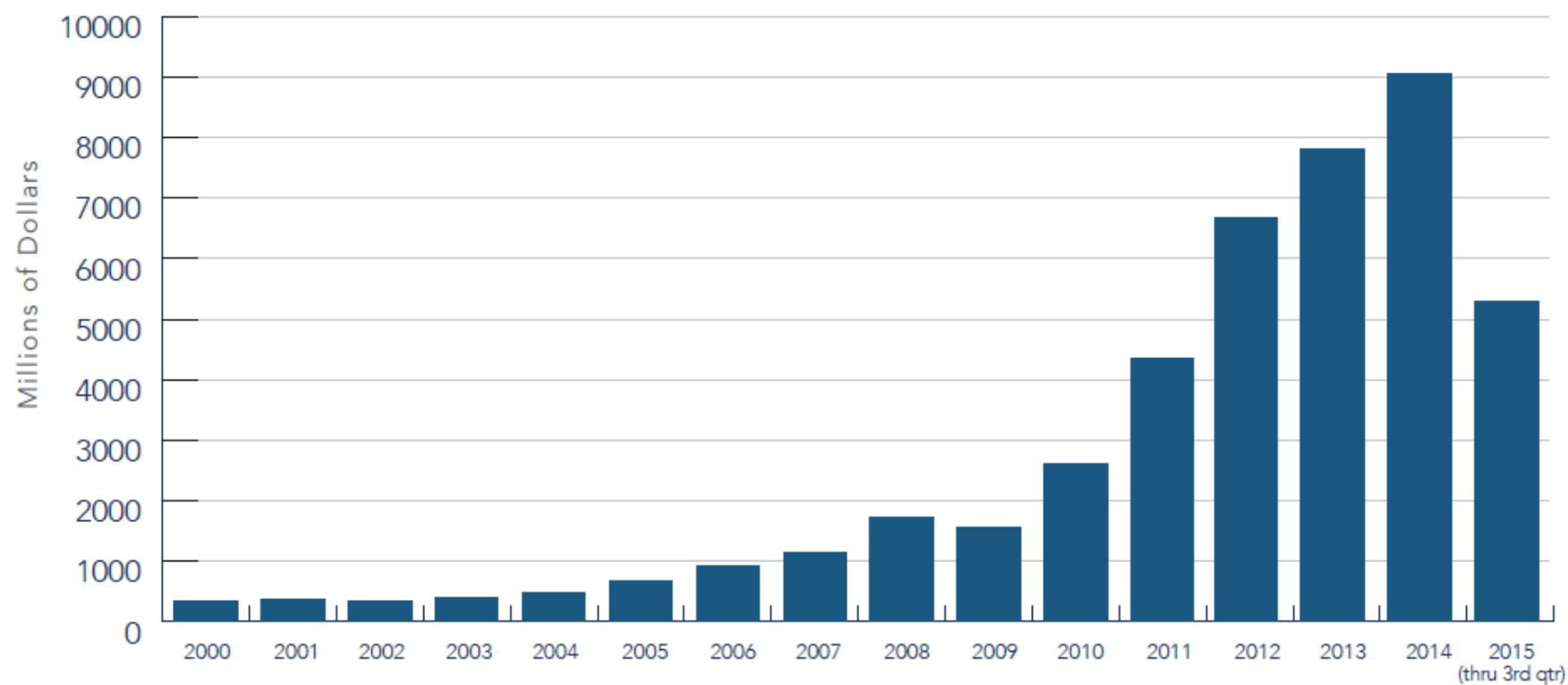
North Dakota Gross Domestic Product (GDP)



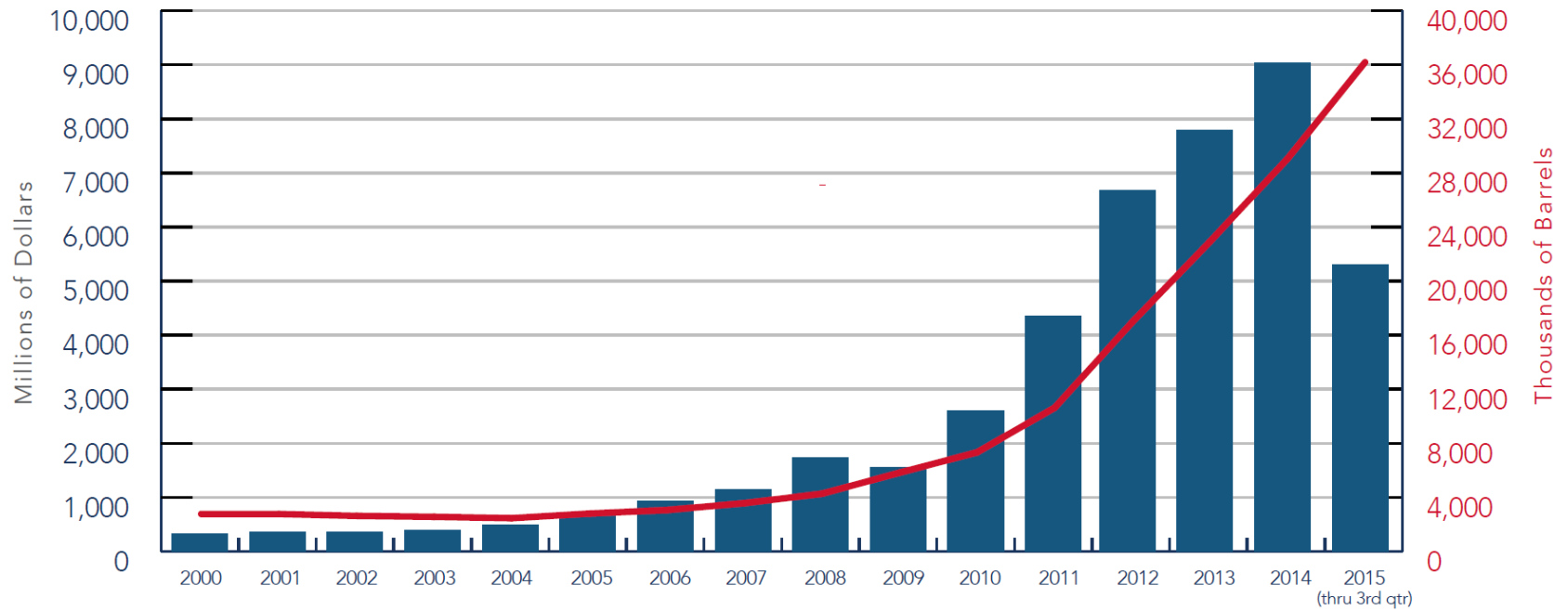
North Dakota GDP: Agriculture Only



North Dakota GDP: Mining Only



North Dakota GDP: Mining Only with Oil Production



Efficiency Gains Are Impacting Breakeven Prices

**The
Economist**

MARCH 12, 2016

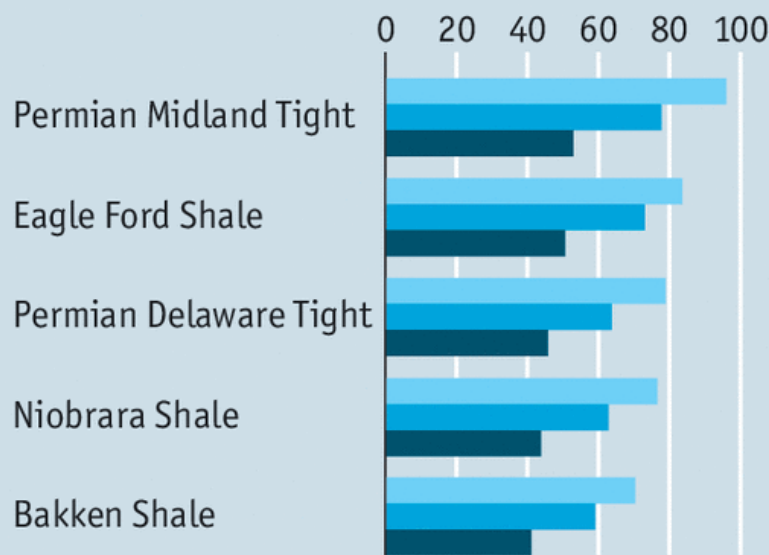
Extraction efficiency

2

Breakeven oil price at wellhead

US shale producers, average for each field, \$ per barrel

2013 2014 2015



Source: Rystad Energy

Economist.com



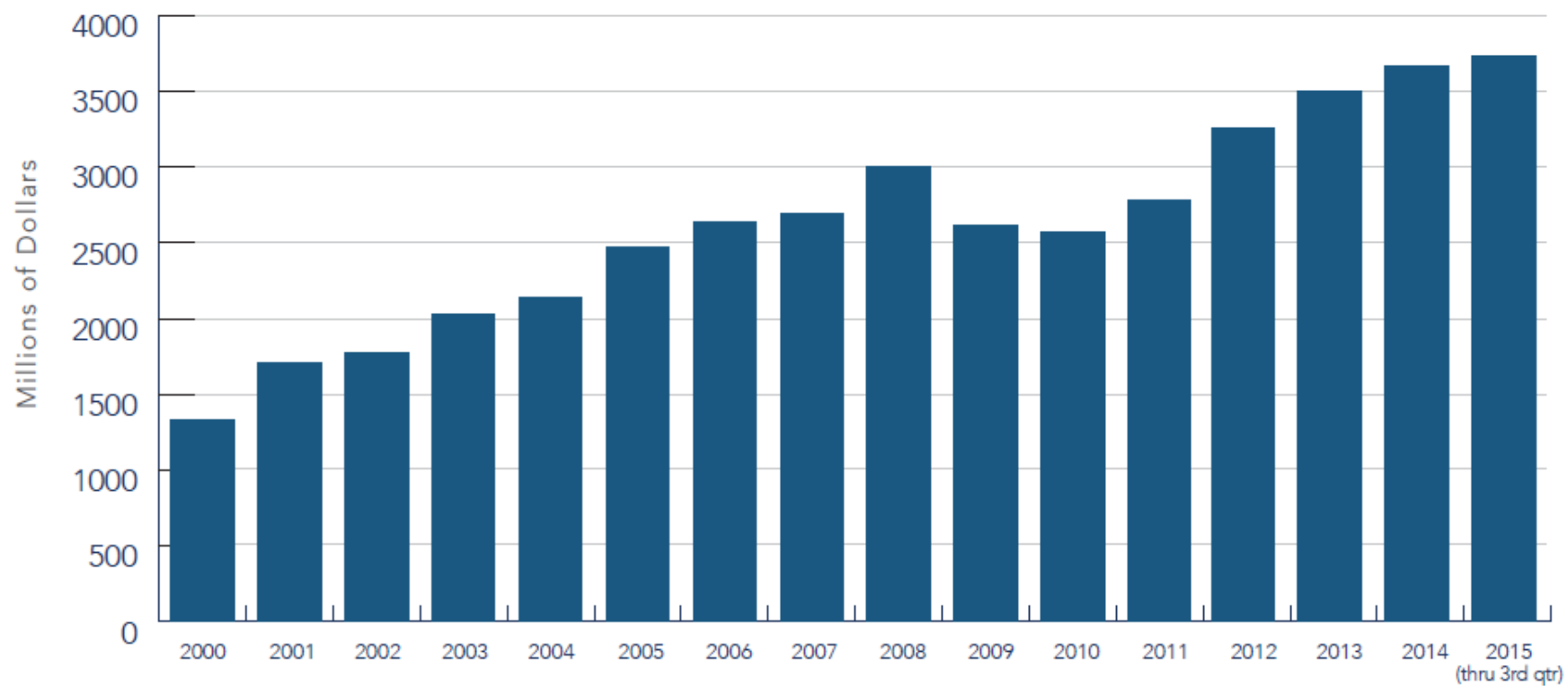
FEBRUARY 29, 2016

US shale's message for OPEC:
Above \$40, we are coming back

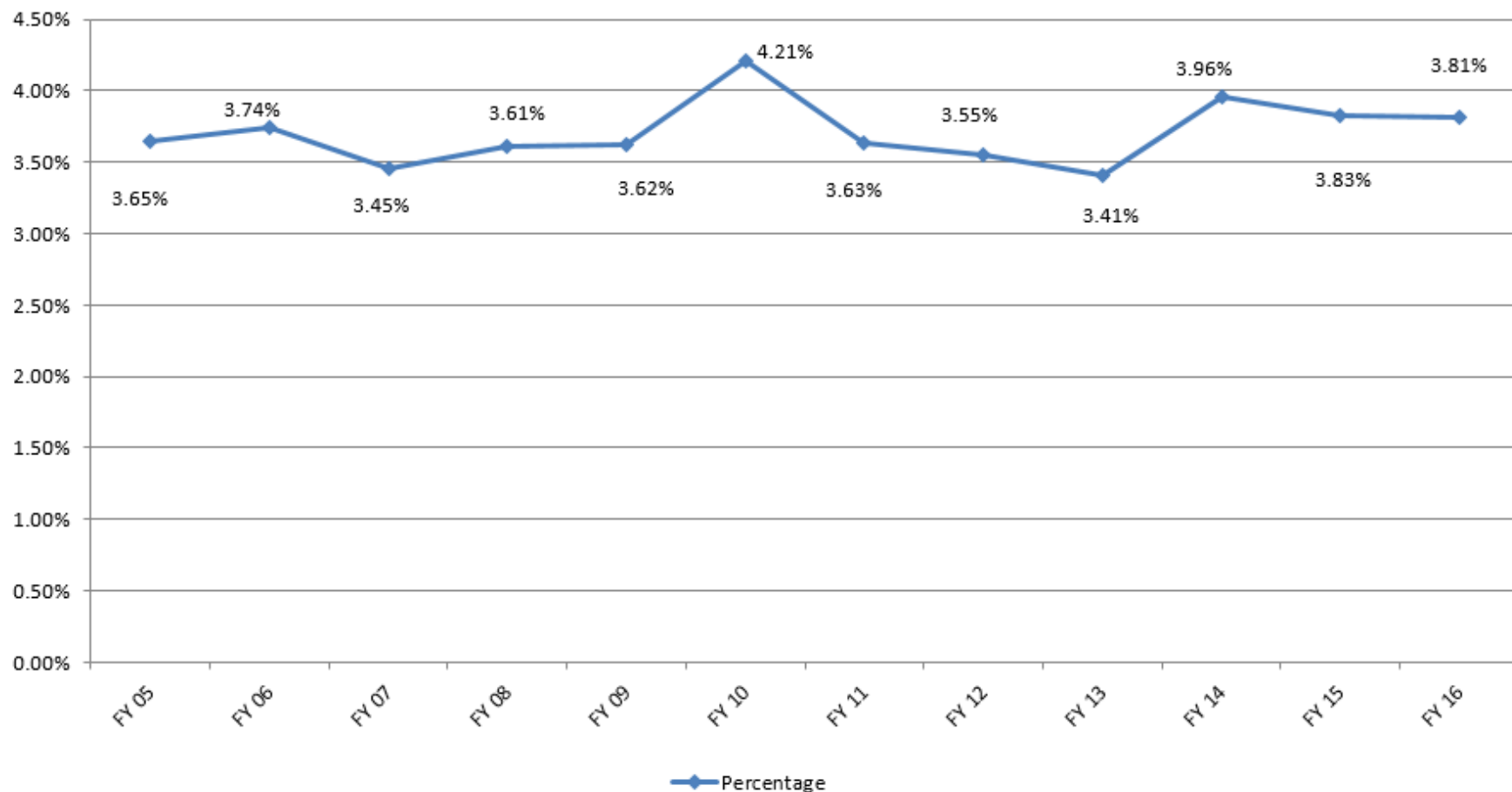
“ For leading U.S.
shale oil producers,
\$40 is the new \$70.

North Dakota
LEGENDARY

North Dakota GDP: Manufacturing Only



Ongoing General Fund Appropriation as a Percentage of Gross State Product



Booming Beyond Oil in North Dakota



Over
15,240
job openings



2.9%

Unemployment
- One of the Nation's Lowest

New and expanding companies driven by technology:



NORTHROP GRUMMAN



Botlink



***Rockwell
Collins***



evolution¹

Altavian
Precisely different.



**ComDel
Innovation**

A P P A R E O
S Y S T E M S



SHARPER SHAPE
The Global Leader in UAV Based Automated Inspection

Booming Beyond Oil in North Dakota



Annual growth rate

greater than 45% and employs
more than **180 people** (*Fargo, Tempe, Paris*)

\$7.5 million expansion project
adding 33,000 square feet and
70 additional jobs



**"We are adding new people and
upgrading facilities ..."**

– Katie Hasbargen, for Microsoft in Fargo

22 employees when graduating
from the NDSU Tech Park in 2014
to over **130-employees**



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Booming Beyond Oil in North Dakota

NORTHROP GRUMMAN



Building a **36,000 sq ft facility** and investing **\$10 million** in **UAS development**

Establishing a **UAS Training Academy**, building a **19,400 sq ft facility** and adding **25 employees** in its first year



Botlink

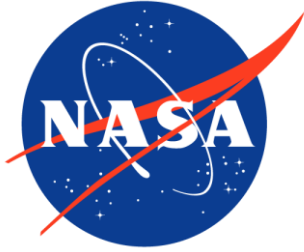
Raised more than **\$3 million** from private investors and is positioning to be “... the **Microsoft of the industry.**”

Manufacturing **UAS** and components at ComDel and adding **10 to 20 employees** in the next two-years

Altavian
Precisely different.

North Dakota
LEGENDARY

Booming Beyond Oil in North Dakota



5-year contract for UAS research,
initial \$200,000 for UAS traffic management
systems feedback, partnering with
**Test Site, Botlink, Altavian
and Sensurion Aerospace**

Set to conduct precision agriculture
research using large UAS in partnership
with **NDSU through Research ND**

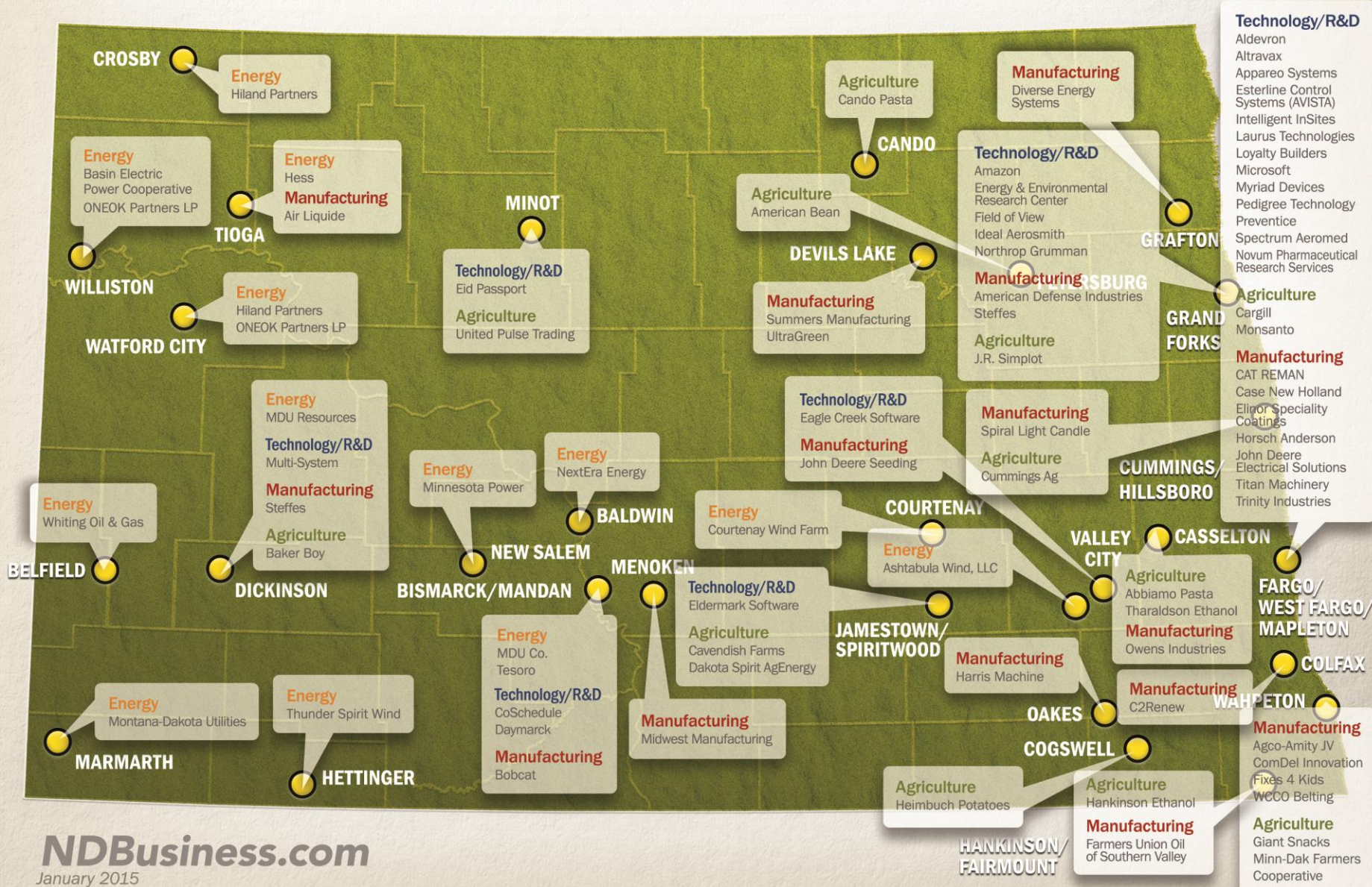


Partnering with companies to use
ag byproducts and plastics to produce bio-based
materials **with NDSU through Research ND**
for multiple applications, constructing a
manufacturing facility in Colfax.



Doing Business Better

Attracted to North Dakota's strong business climate, new companies and facilities are opening in the state while existing companies are expanding operations. This map reflects new and expanded businesses in targeted industries 2010 - present.





North Dakota's Diversifying Economy

Governor Jack Dalrymple